



# Comergerent Customer Advisory Board Meeting

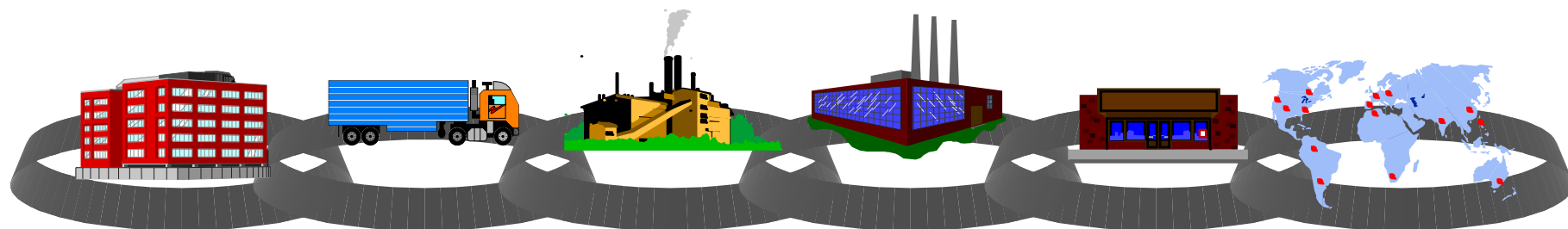
10 March 2004

Defense Logistics Agency, Directorate of Medical Materiel

**Kathleen Garvin**

**Special Projects Officer**

**Defense Supply Center Philadelphia**



**Suppliers**

**Transportation**

**Manufacturers**

**Distributors**

**Retailers**

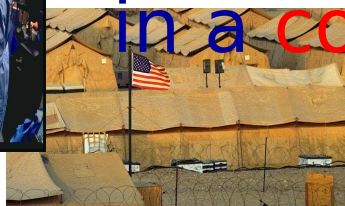
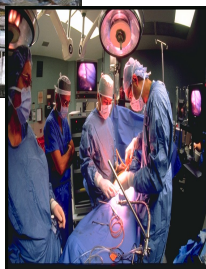
**Consumers**

***Synchronizing the Federal Medical Supply Chain***



# Medical Mission

To increase the **combat readiness** of America's Fighting Forces by providing our soldiers, sailors, airmen, marines, and their families, and other customers worldwide the best possible customer response for medical supplies and equipment when and where needed, in a **cost effective** manner.





# Directorate of Medical Materiel



**67,000 NSNs**  
**<2,000 stocked**  
**264,000 PV items**  
**1 million + ECAT**  
**items**

## Total Inventory

FY 91  
\$629.1M

FY 03  
\$319.6M

8900+ Customers

Average LRT = 2 Days

## The Big Picture

\*Incl \$56M In  
Southwest Asia

## Sales

FY01	\$2.021B
FY02	\$2.507B
FY03	\$3.136B

## Personnel

	Military	Civilian
DSCP	13*	283
Field	—	<u>1</u>
	13	
	284	

\* 15 billets authorized



# Our Customers

- Armed Services (Active Duty Members & Families)
  - 12 Medical Centers
  - 58 Hospitals/Medical Clinics
  - 130 Deployed and Deployable Combat Units
  - Navy Ships
- Retired Military and Families
- Other Federally Funded Hospitals
- Federal Agencies
  - Center for Disease Control
  - National Institute of Health
  - Public Health Service
  - Federal Laboratories

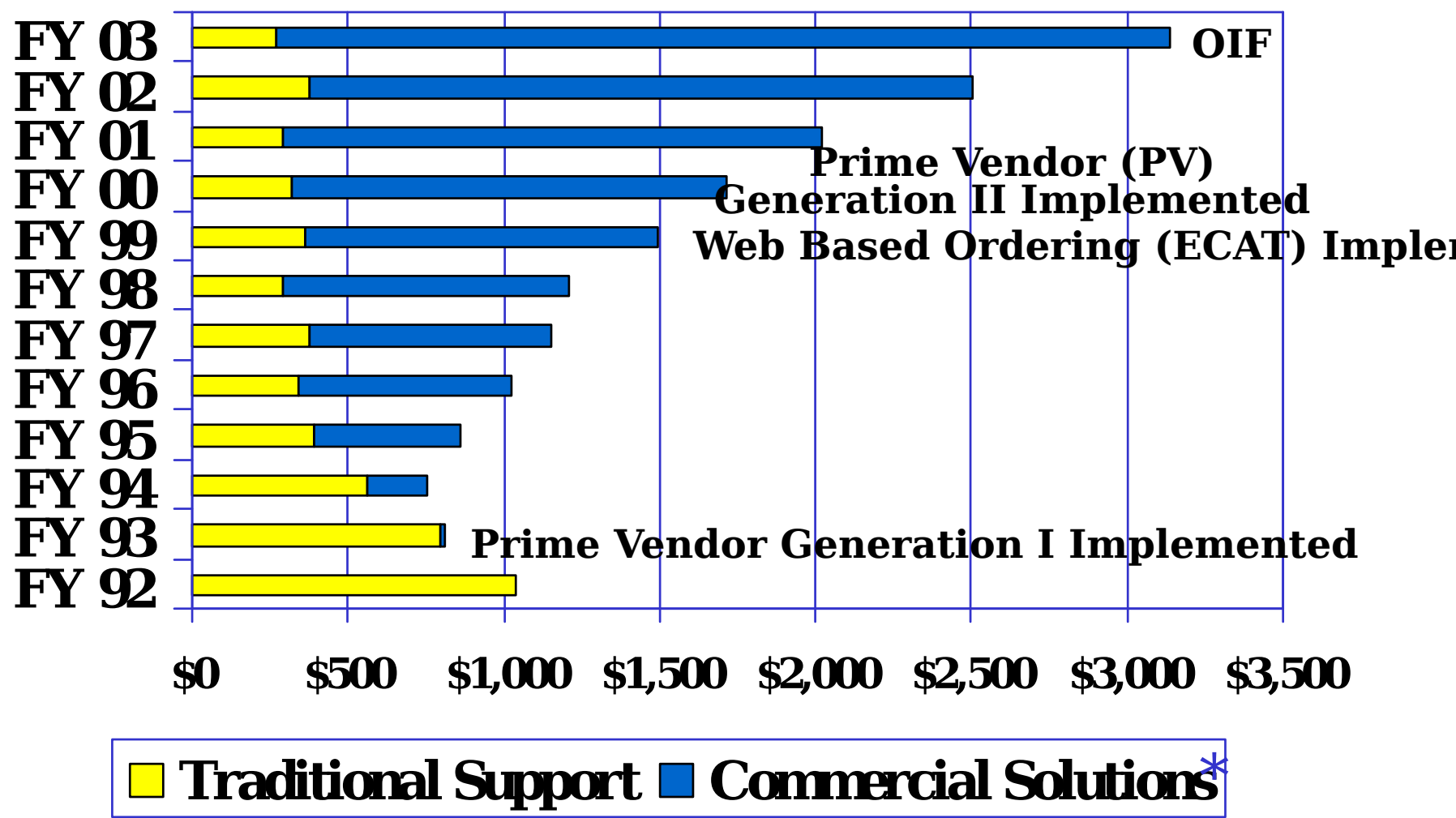


**10 Million  
Beneficiaries**

A blue starburst graphic with multiple points, containing the text "10 Million Beneficiaries" in bold black font.



# Sales Performance



DLA Sales in \$Millions

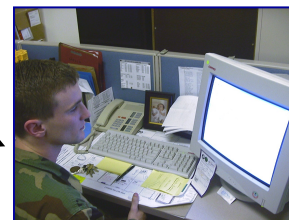
\* PV, ECAT



# Data Synchronization

- What is Data Synchronization?
  - Establishment of standard data elements
    - Transaction-related
    - Med/Surg focused
    - Centrally-maintained – Product Data Utility (PDU)
  - Propagation of standard elements throughout

ems







# Why Data Sync for DoD



- Improve Responsiveness for Contingency/Wartime Operations
- Improve Efficiencies in Peacetime Logistics Operations





# A Real-Life Example: *USS Comfort Hospital Ship Operation Iraqi Freedom*



- DSCP Was Given 7 Calendar Days (**3 ½ Business Days**) to Outfit a 1,000 bed Floating Hospital
- Medical/Surgical Items Ordered with Varying Descriptors, Identifiers, etc.
  - Many Undecipherable Product IDs
  - Many Obsolete Product IDs
- Resource-Intensive Cross-Referencing for Equivalents
- Common ID and/or Synchronized Data Would Have Increased Efficiency and Improved Response Times
- Unique to Med/Surg—NDC Made Pharm Process Easy



*USS Comfort*



# The Challenge in Supporting Military Forces



National Stock Number

6515-00-436-  
1881

Suture Removal  
Kit

## Primary Cross-Reference

- Manufacturer
- Part Number
- Description

Baxter 4650

## Acceptable Items

- Mfr. # 123
- Mfr. # xyz
- Mfr. # 549

## ➤ Why is DoD Challenged in Sourcing Items for Deploying Forces

- New Items Entering Marketplace and Gaining Market Share
- Obsolete Items Leaving Marketplace—Limited or Not Available
- Changes in Part Numbers
- Manufacturer Naming Disconnects
- Part Number Disconnects
- Packaging Disconnects



# Critical Data Elements for DoD Synchronization



- Manufacturer Name
- Standard Item Part Number
- Low Unit of Measure





# DoD Manufacturer Names for Kendall



Mfg Name	# Mfg Items
KENDAL HEALTHCARE PRODUCTS	1
KENDAL LTP	1
KENDALL	1
KENDALL COMPANY	2
KENDALL COMPANY LP	3340
KENDALL HEALTHCARE	172
KENDALL HEALTHCARE CO	43
KENDALL HEALTHCARE COMPANY	4
KENDALL HEALTHCARE PROD CO	38
KENDALL HEALTHCARE PRODUCRS	1
KENDALL HEALTHCARE PRODUCT CO	2
KENDALL HEALTHCARE PRODUCTS	222
KENDALL LTP	1
THE KENDALL CO. LP	1
THE KENDALL COMPANY LP	2502
TYCO HEALTHCARE - KENDALL	7



# Industry Distributor Numbers for 3M Product #8630



Allegiance	- M8630
Owens & Minor	- 4509008630
BBMC-Colonial	- 045098630
BBMC-Durr	- 081048
Kreisers	- MINN8630
Midwest	- TM-8630
Pacific	- 3/M8630
UnitedUMS	- 001880



# Industry Unit of Measures



		DSCP*		Prime Vendor 1				Prime Vendor 2		
Mfr	Part #	Case SUP Qty	Case UOM		Case SUP Qty	Case UOM		Case SUP Qty	Case UOM	
3M	1222-1N	18	CA		1080	CA		18	CA	
3M	512	100	CA		2000	CA		2000	CA	
BD	305903	500	CA		400	CA		400	CA	

\* Data Entered by Manufacturer

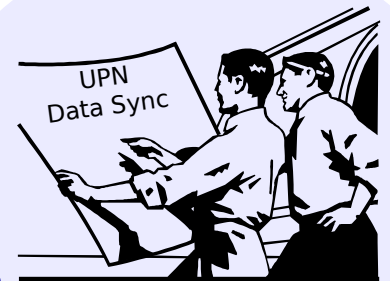
**10% of Packaging Data Provided to DSCP  
by Manufacturers are Wrong or Incomplete**



# Data Synchronization



- DoD Interest in Supply Chain Data Synchronization
  - UPN Initiative
- CHeS/HCEC Collaboration
  - Industry PDU Feasibility Study
- Industry-Wide Meeting
- DoD Pilot PDU
- Improved Efficiencies, Decreased Costs
- Lessons Learned from Other Industries (Retail, Electrical, Grocery, Automotive)







# CHeS/HCEC Led Industry Feasibility Study



- 3M
- AmeriNet
- BD
- Cardinal Health
- CHeS
- CooperGroup, LLC
- DoD
- GHX
- HCEC
- HealthLink
- Johnson & Johnson
- Methodist HealthSystem
- Novation
- Owens & Minor
- Premier
- Profile Systems
- St. Alexius Medical Center
- Tenet HealthSystem





# Our Current Industry Data Synchronization Partners



- Owens and Minor
- Cardinal (Allegiance)
- BD
- Premier
- Consorta
- Comergent





# Next Actionable Steps



- Gain Commitment/Consensus from Supply Chain Members
- Form PDU Implementation Organizing Committee
  - Seeking Members from Across the Supply Chain

